DOCUMENT RESUME

ED 069 333 PS 005 815

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TITLE	Comprehensive Headstart, Child Development, and Family Services Act of 1972: Bill Text and Section-by-Section Analysis.
INSTITUTION	Congress of the U.S., Washington, D.C. Senate Committee on Labor and Public Welfare.
REPORT NO	Senate-92-793
PUB DATE	Jun 72
NOTE	90p.
EDRS PRICE	MF-$0.65 HC-$3.29
DESCRIPTORS	*Child Development; *Child Development Centers; Compensatory Education; Family Programs; *Federal Aid; Federal Legislation; *Federal Programs; Financial Support; Intervention; *Legislation; Preschool Children; Preschool Education; State Federal Aid; State Programs
IDENTIFIERS	Project Head Start

ABSTRACT

The context of the Comprehensive Headstart, Child Development, and Family Services Act of 1972 is presented along with a section-by-section analysis of it. Section 1 is the title. Section 2 is a statement of findings and purpose. Section 3 authorizes appropriations. Title I describes Headstart, Child Development and Family Services Programs which include: Sec. 101, programs assisted; Sec. 102, State and Local Prime Sponsors; (Sec. 103), Child and Family Services Councils; Sec. 104, Program Statements; Sec. 105, Project Applications; Sec. 106, Annual Family Service Plans; Sec. 107, Special Cooperative Programs with Educational Agencies and Other Project Sponsors; Sec. 108, Allocation of Funds; Sec. 109, Additional Conditions for Programs Including Construction or Acquisition; Sec. 110, Use of Public Facilities for Child Development Programs, Sec. 111, Payments. Title II concerns training, technical assistance planning, and evaluation. It includes Sec. 201, Preservice and Inservice Training; and Sec. 202, Technical Assistance and Planning. Title III involves supportive services and special activities. It includes 13 sections related to the operation of the program. (DJ)

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ED 067333

92d Congress
2d Session } COMMITTEE PRINT

COMPREHENSIVE HEADSTART, CHILD DEVELOPMENT, AND FAMILY SERVICES ACT OF 1972

Bill Text and Section-by-Section Analysis

PREPARED BY THE

SUBCOMMITTEE ON EMPLOYMENT, MANPOWER, AND POVERTY

OF THE

COMMITTEE ON LABOR AND PUBLIC WELFARE UNITED STATES SENATE

JUNE 1972

Printed for the use of the Committee on Labor and Public Welfare

U.S. GOVERNMENT PRINTING OFFICE
78-621 O WASHINGTON : 1972

PS 005815

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Calendar No. 760

92D CONGRESS
2D SESSION

S. 3617

[Report No. 92–793]

IN THE SENATE OF THE UNITED STATES

MAY 16, 1972

Mr. NELSON introduced the following bill; which was read twice and placed on the calendar

MAY 16, 1972

Reported by Mr. NELSON, without amendment

A BILL

To strengthen and expand the Headstart program, with priority to the economically disadvantaged, to amend the Economic Opportunity Act of 1964, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Comprehensive Headstart, Child Development, and Family Services Act of 1972".

STATEMENT OF FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds that—

(1) child development programs must build upon the role of the family as the primary and the most fundamental influence on the development of children, and must be provided only to children whose parents or legal guardians request them;

(2) in exercising their moral and legal rights and responsibilities in respect to their children and families, many mothers, and single parents have determined it necessary or desirable to seek child development services for their children in order to engage in employment, training, or education on a full- or part-time basis during hours when their children would ordinarily be in the home or otherwise to enhance the well-being of their families; and

(3) while there have been increased developmental services for children of working mothers and single parents and while Headstart and similar programs have provided supplemental educational and other services for children, such services have not been made available to families to the extent that parents consider it necessary to contribute to the full development of their children and to improve the economic well-being of their families, with the result that there are millions of children living in poverty who do not receive adequate educational and other services, and there are millions of other children whose mothers are working full or part time without adequate child development arrangements for their children.

(b) It is the purpose of this Act to provide a variety of quality child development and family services in order to

assist parents who request such services in providing their children with an opportunity for a healthful and stimulating development, with priority to those preschool children and families with the greatest economic or social needs, in a manner designed to strengthen family life and to insure decisionmaking at the community level through a partnership of parents, State and local governments and the Federal Government, building upon the experience and success of Headstart and other existing programs.

AUTHORIZATION OF APPROPRIATIONS

SEC. 3. (a) For the purpose of carrying out this Act, there is authorized to be appropriated $1,200,000,000 for the fiscal year ending June 30, 1974, and $1,600,000,000 for the fiscal year ending June 30, 1975. Any amounts appropriated for each fiscal year which are not obligated at the end of such fiscal year may be obligated in the succeeding fiscal year.

(b) For the purpose of providing training, technical assistance, planning, and such other activities (including activities authorized under section 106) as the Secretary deems necessary and appropriate to prepare for the implementation of this Act, there is authorized to be appropriated $150,000,000 for the fiscal year ending June 30, 1973.

(c) From the amounts appropriated pursuant to subsec-

tion (a) the Secretary shall make funds available in the following manner—

(1) $500,000,000 shall first be used for the purpose of providing assistance under title I of this Act for child development programs focused upon young children from low-income families, giving priority to continued financial assistance for Headstart projects;

(2) not to exceed 15 per centum of the remaining amounts so appropriated shall be used for the purpose of carrying out titles II and III of this Act, as the Secretary deems appropriate, but not to exceed 5 per centum of such remaining amounts shall be used for the purpose of carrying out title III of this Act; and

(3) the remainder of such amounts shall be used for the purpose of carrying out title I of this Act.

(d) (1) For the purpose of affording adequate notice of funding available under this Act such funding for grants, contracts, or other payments under this Act is authorized to be included in the appropriations Act for the fiscal year preceding the fiscal year for which it shall be available for obligation.

(2) In order to effect a transition to the advance funding method of timing appropriation action, paragraph (1) of this subsection shall apply notwithstanding that its initial application will result in the enactment in the same year

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(whether in the same appropriation Act or otherwise) of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year.

DEFINITIONS

SEC. 4. As used in this Act, the term—

(1) "Secretary" means the Secretary of Health, Education, and Welfare;

(2) "State" means the several States and the District of Columbia, Puerto Rico Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands;

(3) "child development and family service programs" means programs on a full-day or part-day basis which provide the educational, nutritional, health, and other services needed to provide the opportunity for children to attain their full potential, including services to other family members related to the full educational and other development of children;

(4) "children" means individuals who have not attained the age of fifteen;

(5) "economically disadvantaged children" means any children of a family having an annual income below the lower living standard budget (adjusted for regional and metropolitan, urban, and rural differences, and fam-

ily size), as determined annually by the Bureau of Labor Statistics of the Department of Labor;

(6) "handicapped children" includes mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, physically handicapped, crippled, or other health impaired children or children with specific learning or other disabilities who by reason thereof require special education and related services;

(7) "program" includes any program, service, or activity, which is conducted full or part time, in special facilities, in schools, in neighborhood centers, or in homes.

(8) "parent" means any person who has primary day-to-day responsibility for any child;

(9) "single parent" means any person who has sole day-to-day responsibility for any child;

(10) "working mother" means any mother who needs child development and family services under this Act in order to undertake or continue full- or part-time work, training, or education outside her home;

(11) "minority group" includes, but is not limited to, persons who are Negro, American Indian, Spanish-surnamed American, Portuguese, or Oriental, and, as determined by the Secretary, children who are from environments in which a dominant language is other

than English and who, as a result of language barriers, may need special assistance, and, for the purpose of this paragraph, "Spanish-surnamed Americans" include, but is not limited to, persons of Mexican, Puerto Rican, Cuban, or Spanish origin or ancestry.

(12) "bilingual" includes, but is not limited to, persons who are Spanish-surnamed Americans, American Indian, Oriental, Portuguese, or others who have learned during childhood to speak the language of the minority group of which they are members and who, as a result of language barriers, may need special assistance;

(13) "local educational agency" means any such agency as defined in section 801 (f) of the Elementary and Secondary Education Act of 1965;

(14) "institution of higher education" means any such institution as defined in section 1201 (a) of the Higher Education Act of 1965;

(15) "low-income family" means a family whose annual income is less than the "poverty level" as defined by the Director of the Office of Economic Opportunity;

(16) "unit of general local government" means any political subdivision of a State having general governmental powers.

TITLE I—HEADSTART, CHILD DEVELOPMENT, AND FAMILY SERVICES PROGRAMS

PROGRAMS ASSISTED

SEC. 101. (a) The Secretary shall provide financial assistance to prime sponsors and to other public and private agencies and organizations pursuant to plans, program statements, and applications approved in accordance with the provisions of this title for the purpose of carrying out child development and family service programs for children and their families where parents or legal guardians request them, including—

(1) preschool programs providing part-day services and activities designed to prepare children for school in the years before they enter the elementary school grades;

(2) in-home services and consultation to assist families with children of preschool age in providing for the healthy growth and the development of each child's full potential;

(3) preschool programs providing full-day services and activities for children when there is no parent at home to provide care;

(4) child development programs providing services and activities (including recreation and tutoring programs) for school-age children at times when school is

not in session and there is no parent at home to provide care.

(b) Financial assistance under this title may be used for—

(1) other comprehensive child development services and programs designed to meet individual needs of children, to assist children in attaining their full potential and to prepare them for school, including but not limited to—

(A) programs designed (i) to meet the special needs of minority group, Indian, and migrant children with particular emphasis on the needs of children from bilingual families for the development of skills in English and the other language spoken in the home, and (ii) to meet the needs of all children to understand the history and cultural backgrounds of ethnic groups, including minority groups, which belong to their communities;

(B) diagnosis, identification, and treatment of visual, hearing, speech, medical, dental, nutritional, and other physicial, mental, psychological, and emotional barriers to full participation in programs.

(C) special activities designed to identify and ameliorate identified physical, mental, and emotional

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handicaps and special learning disabilities as an incorporated part of programs conducted under this title and, where necessary because of the severity of such handicaps, establishing, maintaining, and operating separate child development and family services programs designed primarily to meet the needs of handicapped children, including emotionally disturbed children;

(D) special food and nutritional services; and

(E) emergency child development programs for children of parents who are sick, incapacitated, or for other urgent reasons, temporarily unable to provide adequate care for their children.

(2) other programs designed to support and enhance family life and contribute to the full development of children, including but not limited to the following—

(A) (i) prenatal and other medical services to expectant mothers who cannot afford such services, designed to help reduce malnutrition, infant and maternal mortality, and the incidence of mental retardation and other handicapping conditions, and (ii) postpartum and other medical services to recent mothers;

(B) referral services for family planning, and

purchase of such services when not otherwise available;

(C) programs including home services to prepare adolescents and other family members for family responsibilities, including assistance to public secondary schools and nonprofit organizations to implement courses for adolescents and provide opportunities for the participation of adolescents in child development and family service programs authorized under this title;

(3) preservice and inservice education and other training designed to prepare professional and paraprofessional personnel and parents and other family members to provide child development and family services;

(4) dissemination of information in the functional language of those to be served to assure that parents are well informed of child development and family service programs available to them and may become directly involved in such programs;

(5) programs designed to extend comprehensive prekindergarten early childhood education techniques and gains (particularly parent participation) into kindergarten and early primary grades (one through three) in cooperation with local educational agencies;

(6) parent and child centers, homestart, follow-through and other supplementary services and activities.

(7) rental, lease or lease-purchase, mortgage amortization payments, remodeling, renovation, alteration, acquisition of necessary equipment and supplies, and to the extent authorized in section 109, construction or acquisition of facilities, including mobile facilities;

(8) allowances for transportation and other costs with respect to children in cases where such costs are necessary to and directly related to such child's participation in programs under this title;

(9) examination and inspection of child development and family service facilities for lead poisoning and other hazards and the correction of such hazards in the facilities;

(10) staff and other administrative expenses of child and family service councils, local program councils, and project policy committees established and operated in accordance with the provisions of this title; and

(11) such other services and activities as the Secretary deems appropriate in furtherance of the purposes of this title.

STATE AND LOCAL PRIME SPONSORS

SEC. 102. (a) In accordance with the provisions of this section, the Secretary may designate as a prime sponsor for

the purpose of entering into arrangements directly with the Secretary to carry out programs under this title within a State the following:

(1) any State;

(2) any unit of general local government or any combination of such units having a total population of twenty-five thousand or more persons on the basis of the most satisfactory current data;

(3) any unit of general local government or any combination of such units, without regard to population, subject to a demonstration by the applicant that it has (A) it has the capability to carry out adequately a comprehensive child development and family service program, and (B) there is a particular demand for services and availabiiity of resources within the area to be served;

(4) any Indian tribal organization;

(5) any other public or private nonprofit agency meeting the requirements of subsection (h) of this section.

(b) Such applicants under this subsection may be designated if the Secretary determines that the applicant has the capability of effectively carrying out comprehensive programs under this Act and has submitted a satisfactory prime sponsorship plan which—

(1) describes the prime sponsorship area to be served;

(2) sets forth satisfactory provisions for establishing and maintaining a child and family services council which meets the requirements of section 103,

(3) provides that the prime sponsor shall be responsible for developing and preparing for each fiscal year a program statement in accordance with section 104 and any modification thereof and for selecting or establishing an agency or agencies to administer and coordinate child development and family service programs in the prime sponsorship area;

(4) sets forth arrangements under which the Child and Family Service Council will be entitled to approve program statements, basic goals, policies, and procedures and the selection or establishment and annual renewal of any agency or agencies under paragraph (3) of this section and will be responsible for annual and ongoing evaluation of child development and family service programs conducted in the prime sponsorship area according to criteria established by the Secretary;

(5) provides assurances that staff and other administrative expenses for the Child and Family Service Councils and Local Program Councils and Project Policy Committees will not exceed 5 per centum of the total cost

of child development programs administered by the prime sponsors unless such per centum limitation is increased to give special consideration to initial cost in the first operational year, in accordance with regulations which the Secretary shall prescribe;

(6) provides assurances that the prime sponsor will provide, in an effective, coordinated, and comprehensive manner (through the administering agency or agencies established or selected pursuant to this subsection), directly or by contract or arrangement with State, local, or other public agencies or private nonprofit agencies or organizations, where available—

(A) child-related family, social, and rehabilitative services;

(B) coordination with educational agencies and providers of educational services;

(C) health (including family planning) and mental health services;

(D) nutrition services;

(E) training of professional and paraprofessional personnel;

(F) where necessary full-time administrative personnel to conduct the program;

(7) sets forth procedures to insure that all project applicants for financial assistance in the area to be

served are given due consideration, in accordance with regulations promulgated by the Secretary;

(8) in the case of an applicant for prime sponsorship which is a State applying for designation as prime sponsor for geographical areas within the State which are not otherwise served by a prime sponsor, in addition to the provisions otherwise required to be included in its prime sponsorship plan in accordance with this section, sets forth adequate provisions—

(A) for designating local family service areas each of which shall serve a geographical area covered by (i) a unit of general local government, or (ii) units of general local government serving a total population of not more than fifty thousand persons except that the Secretary may, upon application by such prime sponsors, permit designation of one or more local family service areas serving a population of not more than one hundred thousand persons where necessary in order to carry out most effectively the purposes and provisions of this Act;

(B) for establishing and maintaining with respect to each local family service area a local program council composed so that (i) not less than half of the members of each such council shall be parent members who shall be chosen initially by parents

who are recipients of federally assisted day care services, with equitable and appropriate consideration to parents selected by the parent members of Headstart policy committees where they exist, and at the earliest practicable time by the parent members of project policy committees, and (ii) the remainder shall be public members broadly representative of the general public, as described in section 103(a)(2)(A), appointed by the chief executive officers or the governing bodies, as appropriate, of the units of general local government within the local program area;

(C) to assure that the program statement to be submitted by the State which affects each local family service area is developed and prepared with full participation and approval of the appropriate local program council; and

(D) to assure that contracts for the operation of programs through public or private agencies or organizations shall be entered into only if previously approved by the local program council for the appropriate local family service area.

(c) Any local program council may appeal directly to the Secretary whenever such council alleges that with respect

to its portion of the program statement the State has failed to comply with the provisions of the program statement or the provisions of this Act.

(d) (1) The Secretary shall approve a prime sponsorship plan submitted by a State if he determines that the plan so submitted meets the requirements of this section and sets forth adequate arrangements for serving all geographical areas under its jurisdiction except for areas with respect to which local prime sponsors are or will be otherwise designated pursuant to this section.

(2) Notwithstanding subsections (e), (f), and (g) of this section, the Secretary is authorized, in accordance with this paragraph, to approve Statewide prime sponsorship plans which he determines set forth satisfactory arrangements for carrying out demonstration projects providing for the State to be designated as prime sponsor for the entire State and which meet each of the requirements of subsections (b) and (c) of this section. The Secretary shall designate as Statewide prime sponsors under this paragraph not more than five States which have demonstrated capability and leadership in the field of child development and which are located in various regions of the Nation and have a variety of characteristics, including differing population sizes and urban, metropolitan, and rural area and industrial and work force composition. A State shall be designated as a Statewide

prime sponsor under this paragraph only if the Secretary determines that—

(A) the population of such State does not exceed 5 per centum of the total population of all of the States in the Nation;

(B) a reasonable opportunity has been provided to each unit of general local government or combination thereof or Indian tribal organization within such State eligible under paragraph (2) or (4) of subsection (a) of this section to submit comments to the State and to the Secretary; and

(C) the prime sponsorship plan submitted by such State takes into account, to the extent appropriate, the comments submitted in accordance with clause (B) of this paragraph.

(e) (1) The Secretary shall approve a prime sponsorship plan submitted by a unit of general local government which is (A) a city eligible under subsection (a) (2) of this section, or (B) a county or other unit of general local government eligible under subsection (a) (2) of this section (excluding the number of such persons included within the population of any city which is designated as a prime sponsor under clause (A) of this paragraph), if he determines that the plan so submitted meets the requirements of subsection (a) of this section and includes adequate provisions for carry-

ing out comprehensive child development and family services programs in the area covered by such unit of general local government.

(2) In the event that the area under the jurisdiction of a unit of general local government described in clause (A) or (B) of paragraph (1) of this subsection includes any common geographical area with that covered by another such unit of general local government, the Secretary shall designate to serve such area the unit of general local government which he determines has the capability of more effectively carrying out the purposes of this title with respect to such area and which has submitted a plan which meets the requirements of subsection (a) of this section and includes adequate provisions for carrying out comprehensive child development and family services programs in such area.

(f) The Secretary shall approve a prime sponsorship plan submitted by a combination of units of general local government eligible under subsection (a) (2) of this section (excluding the number of such persons included within the population of any city which is designated as a prime sponsor under clause (A) of subsection (e) (1)), if he determines that the plan so submitted meets the requirements of subsection (a) of this section and includes adequate provisions for carrying out comprehensive child

development and family services programs in the area covered by the combination of such units of general local government.

(g) The Secretary shall approve a prime sponsorship plan submitted by an Indian tribal organization if he determines that the plan so submitted meets the requirements of subsection (a) of this section and includes adequate provisions for carrying out comprehensive child development and family services programs in the area to be served.

(h) The Secretary may approve a prime sponsorship plan submitted by a unit or combination of units of general local government or by a public or private nonprofit agency, including but not limited to a community action agency, single-purpose Headstart agency, public or private educational agency or institution, community development corporation, parent cooperative, organization of migrant agricultural workers, organization of Indians, employer organization, labor union, or employee or labor-management organization, if he determines that the plan so submitted meets the requirements of subsection (a) of this section and includes provisions setting forth—

(1) arrangements for serving children in a community or neighborhood or other urban or rural area possessing a commonality of interest (A) with respect to which there is no prime sponsorship designation in

effect, or (B) with respect to any portion of an area where a designated prime sponsor is found not to be satisfactorily implementing child development and family services programs which adequately meet the purposes of this part, or (C) for making available special services, in accordance with criteria established by the Secretary, designed to meet the needs of economically disadvantaged or preschool children or children of working mothers or single parents; or

(2) arrangements for providing comprehensive child development and family services programs on a year-round basis to children of migrant agricultural workers and their families; or

(3) arrangements for carrying out model programs especially designed to be responsive to the needs of economically disadvantaged, minority group, bilingual, or preschool children or to demonstrate the feasibility of conducting child development and family services programs on the basis of a neighborhood or other area possessing a commonality of interest in any locality.

(i) The Governor shall be given not less than thirty nor more than sixty days to review applications for prime sponsorship designation submitted by any applicant other than the State, to offer recommendations to the applicant, and to submit comments to the Secretary.

(j) A prime sponsorship plan submitted under this section may be disapproved or a prior designation of a prime sponsor may be withdrawn only if the Secretary, in accordance with regulations which he shall prescribe, has provided (1) written notice of intention to disapprove such plan, including a statement of the reasons therefor, (2) a reasonable time in which to submit corrective amendments to such plan or undertake other necessary corrective action, and (3) an opportunity for a public hearing upon which basis an appeal to the Secretary may be taken as of right.

(k) (1) If any party is dissatisfied with the Secretary's final action under subsection (j) with respect to the disapproval of its plan submitted under this section or the withdrawal of its prime sponsorship designation, such party may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such party is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary. The Secretary thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

(2) The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Secretary

to take further evidence. The Secretary may make new or modified findings of fact and may modify his previous action, and shall certify to the court the record of the further proceedings. Such new or modified findings of fact shall be conclusive if supported by substantial evidence.

(3) The court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(l) When any unit or combination of units of general government or other prime sponsor is maintaining a pattern or practice of discrimination against minority group persons or against economically disadvantaged children, the Secretary shall approve the application for prime sponsorship of an alternative unit of government or public or private nonprofit agency or organization in the area which will equitably serve minority group and economically disadvantaged children.

(m) In the event that a State, a unit or combination of units of general local government, or an Indian tribal organization has not submitted a program statement under this section or the Secretary has not approved a plan so submitted, or where the Secretary has not designated or has

withdrawn designation of prime sponsorship under this section, or where the needs of migrants, pre-school-age children, or the children of working mothers or single parents, minority groups, or the economically disadvantaged are not being served, the Secretary may directly fund projects, including those in rural areas without regard to population, that he deems necessary in order to serve the children of the particular area.

CHILD AND FAMILY SERVICES COUNCILS

SEC. 103. (a) Each prime sponsor designated under section 102 shall establish and maintain a Child and Family Services Council composed of not less than ten members as follows—

(1) not less than half the members of such Council shall be parents of children served in programs under this Act chosen in accordance with the provisions of paragraph (1) of subsection (b) of this section;

(2) the remaining members shall be appointed by the chief executive officer or the governing body, whichever is appropriate, of the prime sponsor to represent the public, but (A) not less than half of such members shall be persons who are broadly representative of the general public, including government agencies, public and private agencies and organizations in such fields as education, economic opportunity, health, welfare, em-

ployment and training, business or financial organizations or institutions, labor unions, and employers, and (B) the remaining members, the number of which shall be either equal to or one less than the number of members appointed under clause (A), shall be persons who are particularly skilled by virtue of training or experience in child development, child health, child welfare, education or other child and family services, except that the Secretary may waive the requirement of this clause (B) to the extent that he determines, in accordance with regulations which he shall prescribe, that such persons are not available to the area to be served; and

(3) in establishing a Child and Family Services Council under this section, the prime sponsor shall give due consideration to the membership of day care coordinating bodies then existing in the area to be served.

At least one-third of the total membership of the Child and Family Services Council shall be persons who are economically disadvantaged. Each Council shall select its own chairman.

(b) In accordance with procedures which the Secretary shall establish pursuant to regulations, each prime sponsor designated under section 102 shall provide, with respect to the Child and Family Services Councils established and maintained by such prime sponsor, that—

(1) the parent members described in paragraph (1) of subsection (a) of this section shall be chosen as follows:

(A) in the case of Councils established by prime sponsors which are States, by the parent members of local program councils established under section 102 (b) (8); and

(B) in the case of Councils established by prime sponsors other than States (and by States with respect to local program councils) initially by parents who are recipients of federally assisted day care services, with equitable and appropriate consideration to parents selected by the parent members of Headstart policy committees and, at the earliest practicable time by the parent members of project policy committees;

(2) the terms of office and any other policies and procedures of an organizational nature, including nomination and election procedures, are appropriate in accordance with the purposes of this Act;

(3) such Council shall be entitled to approve program statements, basic goals, policies, and procedures and the selection or establishment and annual renewal of an administering agency or agencies, and will be responsible for annual and ongoing evaluation of child

development and family service programs according to criteria established by the Secretary; and

(4) such Council shall, upon its own initiative or upon request of a project applicant or any other party in interest, conduct public hearings before action is taken by the prime sponsor upon applications for financial assistance submitted by project applicants under this title.

PROGRAM STATEMENTS

SEC. 104. (a) Financial assistance under this title may be provided by the Secretary for any fiscal year to a prime sponsor designated under section 102 only pursuant to a program statement which is submitted by such prime sponsor directly to and approved by the Secretary in accordance with the provisions of this title. Any such program statement shall set forth a comprehensive program for providing child development and family services in the prime sponsorship area which—

(1) provides that programs or services under this title shall be provided only for children whose parents request them;

(2) identifies child development and family service needs and goals within the area to be served and describes the purposes for which the financial assistance will be used;

(3) meets the needs of children and families in the prime sponsorship area, to the extent that available funds can be reasonably expected to have an effective impact, with priority to children who have not attained six years of age;

(4) (A) provides that funds received under section 3 (c) (1) of this title will be used for child development programs and services focused upon young children from low-income families, giving priority to continued financial assistance for Headstart projects by reserving for such projects from such funds in any fiscal year an amount at least equal to the aggregate amount received by public or private agencies and organizations within the prime sponsorship area for programs during the fiscal year ending June 30, 1973, under section 222 (a) (1) of the Economic Opportunity Act of 1964, and (B) provides that programs receiving funds under section 3 (c) (3) will give priority to providing services for economically disadvantaged children by reserving not less than 65 per centum of such funds for the purpose of serving economically disadvantaged children.

(5) gives priority thereafter to providing child development and family services programs and services to children of working mothers and single parents not covered under paragraph (4);

(6) provides for direct parent participation in the conduct, overall direction, and evaluation of programs;

(7) provides procedures for the approval of project applications submitted in accordance with section 105;

(8) provides in the case of a prime sponsor which is a State that project applications shall be approved by the prime sponsor only if previously approved by the local program council for the appropriate local family service area;

(9) (A) provides, in the case of a prime sponsor located within or adjacent to a metropolitan area, for coordination with other prime sponsors located within such metropolitan area, and arrangements for cooperative funding where appropriate, and particularly for such coordination where appropriate to meet the needs for child development and family services of children of parents working or participating in training or otherwise occupied during the day within a prime sponsorship area other than that in which they reside;

(B) provides for coordination of other federally funded child development and family service, child care, and related programs (including those relating to manpower training and employment) with the programs assisted under this Act, as required pursuant to regula-

tions established by the Secretary under Section 311 (b) of this Act.

(C) assures that procedures and mechanisms for coordination have been developed in cooperation with agencies and organizations carrying out preschool programs and administrators of local educational agencies and nonpublic schools, at the local level, to provide continuity between programs for preschool and elementary school children and to coordinate programs conducted under this title and programs conducted pursuant to section 222 (a) (2) of the Economic Opportunity Act of 1964 and the Elementary and Secondary Education Act of 1965; and

(D) establishes arrangements in the area served for the coordination of programs conducted under the auspices of or with the support of business or financial institutions or organizations, industry, labor, employee and labor-management organizations, and other community groups;

(10) provides that, to the extent feasible, each program within the prime sponsorship area shall include children from a range of socioeconomic backgrounds;

(11) provides comprehensive services (A) to meet the special needs of minority group children and children of migrant agricultural workers with particular

emphasis on the needs of children from bilingual families for the development of skills in English and in the other language spoken in the home, and (B) to meet the needs of all children to understand the history and cultural background of minority groups which belong to the communities;

(12) provides equitably for the child development and family services needs of children from each minority group and significant segment of the economically disadvantaged residing within the area served;

(13) includes a career development plan for paraprofessional and professional training, education, and advancement on a career ladder;

(14) provides that, insofar as possible, persons residing in communities being served by such projects will be employed therein, including in-home and part-time employment and opportunities for training in programs under title II of this Act, with special consideration for career opportunities for low-income persons;

(15) provides for the regular and frequent dissemination of information in the functional language of those to be served, to assure that parents and other interested persons in the community are fully informed of the activities of the prime sponsor, Child and Family

Services Council, local program councils, and of delegate agencies;

(16) sets forth provisions describing any arrangements for the delegation, under the supervision of the Child and Family Services Council, to public or private agencies, institutions, or organizations, of responsibilities for the delivery of programs, services, and activities for which financial assistance is provided under this Act or for planning or evaluation services to be made available with respect to programs under this Act;

(17) contains plans for regularly conducting surveys and analyses of needs for child development and family services programs in the prime sponsorship area and for submitting to the Secretary a comprehensive annual report and evaluation in such form and containing such information as the Secretary shall require by regulation;

(18) provides assurances satisfactory to the Secretary that the non-Federal share requirements will be met;

(19) provides for such fiscal control and funding accounting procedures as the Secretary may prescribe to assure proper disbursement of and accounting for Federal funds paid to the prime sponsor;

(20) provides that special consideration will be

given to project applications submitted by public and private nonprofit agencies and organizations with ongoing programs;

(21) provides procedures for the Council to select, and establish policy with respect to tenure and status of, its employees.

(b) No program statement or modification thereof submitted by a prime sponsor under this section shall be approved by the Secretary unless he determines, in accordance with regulations which the Secretary shall prescribe, that—

(1) each community action agency or single-purpose Headstart agency in the area to be served previously responsible for the administration of programs under this part or under section 222(a)(1) of the Economic Opportunity Act of 1964 has had an opportunity to submit comments to the prime sponsor and to the Secretary;

(2) the local educational agency for the area to be served and other appropriate educational and training agencies and institutions have had an opportunity to submit comments to the prime sponsor and to the Secretary; and

(3) in the case of a plan submitted by a prime sponsor other than the State, the State Child and Fam-

ily Services Council has had an opportunity to submit comments to the prime sponsor and to the Secretary.

(c) A program statement submitted under this section may be disapproved or a prior approval withdrawn only if the Secretary, in accordance with regulations which he shall prescribe, has provided (1) written notice of intention to disapprove such plan, including a statement of the reasons therefor, (2) a reasonable time to submit corrective amendments to such plan or undertake other necessary corrective action, and (3) an opportunity for a public hearing upon which basis an appeal to the Secretary may be taken as of right.

(d) In order to contribute to the effective administration of this title, the Secretary shall establish appropriate procedures to permit prime sponsors to submit jointly a single program statement for the areas served by such prime sponsors.

PROJECT APPLICATIONS

SEC. 105. (a) Financial assistance under this title may be provided to a project applicant for any fiscal year only pursuant to a project application which is submitted by a public or private agency and which provides—

(1) that funds will be provided for carrying out any child development and family services program under this title only to a qualified public or private agency or

organization, including but not limited to a community action agency, single-purpose Headstart agency, public or private educational agency or institution, community development corporation, parent cooperative, organization of migrant agricultural workers, organization of Indians, private organization interested in child development, employer or business organization, labor union, or employee or labor-management organization;

(2) for establishing and maintaining project policy committees composed of not less than ten members as follows—

(A) not less than half of the members of each such committee shall be parents of children served by such project, and

(B) the remaining members of each such committee shall consist of (i) persons who are representative of the community and who are approved by the parent members, and (ii) one person who is particularly skilled by virtue of training or experience in child development, child health, child welfare, or other child care services, except that the Secretary may waive the requirement of this clause (ii) where he determines, in accordance with regulations which he shall prescribe, that such person is not available to the area to be served;

(3) for direct participation of such project policy committees in the development and preparation of project applications under this title;

(4) that adequate provision will be made for training and other administrative expenses of such project policy committees (including necessary expenses to enable low-income members to participate in council or committee meetings);

(5) that project policy committees shall have responsibility for approving basic goals, policies, actions, and procedures for the project applicant, and for planning, overall conduct, personnel, budgeting, location of centers and facilities, and direction and evaluation of projects;

(6) that programs assisted under this title will provide for such comprehensive health, nutritional, education, social, and other services, as are necessary for the full development of each participating child;

(7) that adequate provision will be made for the regular and frequent dissemination of information in the functional language of those to be served, to assure that parents and interested persons are fully informed of project activities;

(8) that with respect to child development and

family services provided by programs assisted under this title—

(A) no charge will be made with respect to any child who is a member of any family with an annual income equal to or less than $4,320 with appropriate adjustments in the case of families having more than two children, except to the extent that payment will be made by a third party (including a public agency); and

(B) such charges as the Secretary may provide will be made with respect to any child of any other family, in accordance with an appropriate fee schedule established by him, designed to permit enrollment or continued participation in the program as family income increases and based upon the ability of the family to pay, which payment may be made in whole or in part by a third party in behalf of such family, except that any such charges with respect to any family with an income of less than the lower living standard budget (as determined in accordance with paragraph (5) of section 4) shall not exceed the sum of (i) an amount equal to 10 per centum of any family income which exceeds the highest income level at which no charges would be made with respect to children of such family under

subparagraph (A) but does not exceed 85 per centum of such lower living standard budget, and (ii) an amount equal to 15 per centum of any family income which exceeds 85 per centum of such lower living standard budget but does not exceed 100 per centum of such lower living standard budget, and, if more than two children from the same family are participating, additional charges may be made not to exceed the sum of the amounts calculated in accordance with clauses (i) and (ii) with respect to each such additional child or, the actual cost of services, whichever is less, except that charges less than those prescribed by the Secretary pursuant to this paragraph (B) may be made with respect to any program, where the Secretary, upon application of any prime sponsor, determines that such lower charges are necessary in order to take into account actual living expenses within the prime sponsorship area, to meet the special needs of economically disadvantaged persons within such area, or to insure consistency with fee schedules for similar services under other laws;

(9) that children will in no case be excluded from the programs operated pursuant to this title because of their participation in nonpublic preschool or school pro-

grams or because of the intention of their parents to enroll them in nonpublic schools when they attain school age;

(10) that programs will, to the extent appropriate, employ paraprofessional aides and volunteers, especially parents, older children, students, older persons, and persons preparing for careers in child development programs;

(11) that no person will be denied employment in any program solely on the ground that such person fails to meet State or local teacher certification standards;

(12) that there are assurances satisfactory to the Secretary that the non-Federal share requirements will be met; and

(13) that provision will be made for such fiscal control and fund accounting procedures as the Secretary shall prescribe to assure proper disbursement of and accounting for Federal funds.

(b) A project application may be approved by a prime sponsor upon its determination that such application meets the requirements of this section and that the programs provided for therein will otherwise further the objectives and satisfy the appropriate provisions of the prime sponsor's program statement as approved pursuant to section 104.

(c) A project application from a public or private

nonprofit agency which is also a prime sponsor under section 102 shall be submitted directly to the Secretary, together with the program statement.

(d) A prime sponsor may disapprove a project application only if it provides to the project applicant a written statement of the reasons therefor. Such project applicant may submit an appeal to the Secretary requesting the direct approval of such application or modification thereof. Any such appeal shall include such comments, including the project applicant's response to the prime sponsor's statement of reasons for disapproval, as the project applicant may deem appropriate or as the Secretary may require.

(e) A project application submitted directly to the Secretary may be approved by the Secretary upon his determination that it meets the requirements of subsection (a) of this section.

ANNUAL FAMILY SERVICE PLANS

SEC. 106. (a) In addition to any program statement submitted with respect to fiscal years beginning after June 30, 1973, any State desiring to receive additional financial assistance pursuant to section 108 (a) (3) for its own use, or for grants to or contracts with prime sponsors within such States, for activities authorized in this title, shall submit an annual family service plan.

(b) Such plan shall be approved by the Secretary upon

a determination that it sets forth adequate agreements between State and local prime sponsors for maximum coordination of child development and family services within the State and for full utilization of resources within the State, including, but not limited to agreements with respect to—

(1) the determination of general child development and family service goals and needs throughout the State;

(2) comprehensive planning and coordination of child development and family service programs to be conducted within the State;

(3) arrangements under which State agencies shall assist in the establishment of Child and Family Services Councils and in strengthening the capability of such Councils to participate effectively in programs under this Act where requested by local prime sponsors;

(4) arrangements under which State agencies shall assist in providing health, educational, family planning, education, nutrition, and other components of child development and family service programs and facilities and training related thereto where requested by local prime sponsors in the development and implementation of program statements submitted by local prime sponsors;

(5) arrangements for conducting programs for the

exchange of personnel involved in child development and family service programs within the State;

(6) procedures for assessing State and local licensing codes and teaching standards as they relate to child development and family service programs within the State; and

(7) procedures for disseminating model program information and the results of research on programs for children and families.

SPECIAL COOPERATIVE PROGRAMS WITH EDUCATIONAL INSTITUTIONS AND OTHER PROJECT SPONSORS

SEC. 107. (a) The Secretary shall provide assistance made available for the purposes of this section pursuant to clause (e) of section 108(a)(1) of this title to educational agencies and institutions to be used by such agencies and institutions in cooperation with other project applicants pursuant to program statements for the purpose of planning, carrying out, and evaluating cooperative programs and activities designed to provide continuity between preschool programs, afterschool programs and educational and related programs conducted by such agencies and institutions, including those conducted under the Elementary and Secondary Education Act of 1965, such as joint design of programs, provision for interchange and progression of children between

programs, cooperative use of professional, technical and administrative personnel and development of sequential programs to be conducted by several component agencies or organizations.

(b) Nothing in this section shall be construed to limit the opportunity of any agency or institution receiving assistance under this section from otherwise receiving assistance under this title.

ALLOCATION OF FUNDS

SEC. 108. (a) (1) From the amounts available for carrying out comprehensive child development and family services programs under this title, (after making the reservations provided for in clauses (1) and (2) of section 3 (c) of this Act), the Secretary shall reserve the following:

(A) not less than that proportion of the total amount available for carrying out this title as is equivalent to that proportion which the total number of children of migrant agricultural workers bears to the total number of economically disadvantaged children in the United States, which shall be apportioned among programs serving children of migrant agricultural workers on an equitable basis, and to the extent practicable in proportion to the relative numbers of children served in each such program;

(B) not less than that proportion of the total

amount available for carrying out this title as is equivalent to that proportion which the total number of children in Indian tribal organizations bears to the total number of economically disadvantaged children in the United States, which shall be apportioned among programs serving children in Indian tribal organizations on an equitable basis, and to the extent practicable in proportion to the relative numbers of children in each such program;

(C) not less than 10 per centum of the total amount available for carrying out this title, which shall be made available for the purposes of section 101 (b) (1) (C) of this title (relating to special activities for handicapped children);

(D) not less than 5 per centum nor more than 10 per centum of the total amount available for carrying out this title, which shall be made available under section 102 (h) (3) of this title (relating to model programs); and

(E) not less than 5 per centum of the total amount available for carrying out this title, which shall be made available under section 107 of this title (special cooperative programs with educational institutions).

(2) The Secretary shall allocate the remainder of the amounts available for this title (except for funds

made available under paragraphs (1) and (3) of section 3(c) of this Act) among the States, and within the States among local areas, so as to provide, to the extent practicable, for the geographical distribution of such remainder in such a manner that—

(A) 50 per centum thereof shall be apportioned among the States, and within each State among local areas, in proportion to the relative number of economically disadvantaged children in each State and local area, respectively, excluding those children who are eligible for services under clauses (A) and (B) of paragraph (1) of this subsection.

(B) 25 per centum thereof shall be apportioned among the States, and within each State among local areas, in proportion to the relative number of children through age five in each State and local area, respectively; and

(C) 25 per centum thereof shall be apportioned among the States, and within each State among local areas, in proportion to the relative number of children of working mothers and single parents in each State and local area, respectively.

For the purposes of clauses (A) and (B) of this paragraph,

there shall be excluded those children who are counted under clauses (A) and (B) of subsection (a) (1) of this section.

(3) Not to exceed 10 per centum of the total funds allotted for use within a State pursuant to paragraph (2) may be made available to enable States to carry out the provisions of section 106 of this title.

(b) Any portion of any apportionment under subsection (a) for a fiscal year which the Secretary determines will not be required, for the period for which such apportionment is available, for carrying out programs under this title shall be available for reapportionment from time to time, on such dates during such period as the Secretary shall fix, to other States or local areas on an equitable basis, taking into account the original apportionments to the States and local areas. Any amount reapportioned to a State or local area under this subsection during a year shall be deemed part of its apportionment under subsection (a) for such year.

(c) In determining the numbers of children for purposes of allocating and apportioning funds under this section, the Secretary shall use the most recent satisfactory data available to him.

(d) As soon as practicable after funds are appropriated to carry out this title for any fiscal year, the Secretary

shall publish in the Federal Register the allocations and apportionments required by this section.

ADDITIONAL CONDITIONS FOR PROGRAMS INCLUDING CONSTRUCTION OR ACQUISITION

SEC. 109. (a) Applications for financial assistance for projects including construction or acquisition may be approved only if the Secretary determines that construction or acquisition of such facilities is essential to the provision of adequate child care services, and that rental, lease or lease-purchase, remodeling, or renovation of adequate facilities is not practicable.

(b) If any facility assisted under this title shall cease to be used for the purposes for which it was constructed, the United States shall be entitled to recover from the applicant or other owner of the facility an amount which bears to the then value of the facility (or so much thereof as constituted an approved project) the same ratio as the amount of such Federal funds bore to the cost of the facility financed with the aid of such funds unless the Secretary determines in accordance with regulations that there is good cause for releasing the applicant or other owner from the obligation to do so. Such value shall be determined by agreement of the parties or by action brought in the United States district court for the district in which the facility is situated.

(c) All laborers and mechanics employed by contrac-

tors or subcontractors on all construction, remodeling, renovation, or alteration projects assisted under this title shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5). The Secretary of Labor shall have with respect to the labor standards specified in this section the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

(d) In the case of loans for construction, the Secretary shall prescribe the interest rate and the period within which such loan shall be repaid, but such interest rates shall not be less than 3 per centum per annum and the period within which such loan is to be repaid shall not be more than twenty-five years.

(e) The Federal assistance for construction may be in the form of grants or loans, provided that total Federal funds to be paid to other than public or private nonprofit agencies and organizations will not exceed 50 per centum of the construction cost, and will be in the form of loans. Repayment of loans shall, to the extent required by the Secretary, be returned to the prime sponsor from whose financial assistance the loan was made, or used for additional

loans or grants under this title. Not more than 15 per centum of the total financial assistance provided to a prime sponsor under this title shall be used for construction of facilities, with no more than 7½ per centum of such assistance usable for grants for construction.

USE OF PUBLIC FACILITIES FOR CHILD DEVELOPMENT PROGRAMS

SEC. 110. (a) The Secretary, after consultation with other appropriate officials of the Federal Government, shall within eighteen months after enactment of this Act report to the Congress with respect to the extent to which facilities owned or leased by Federal departments, agencies, and independent authorities could be made available to public and private nonprofit agencies and organizations, through appropriate arrangements, for use as facilities for child care programs under this title during times and periods which not utilized fully for their usual purposes, together with his recommendations (including recommendations for changes in legislation) or proposed actions for such use.

(b) The Secretary may require, as a condition to the receipt of assistance under this title, that any prime sponsor under this title agree to conduct a review and provide the Secretary with a report as to the extent to which facilities owned or leased by such prime sponsor, or by other agencies in the prime sponsorship area, could be made available,

through appropriate arrangements, for use as facilities for child development and family services programs under this title during times and periods when not utilized fully for their usual purposes, together with the prime sponsor's proposed actions for such use.

PAYMENTS

SEC. 111. (a) In accordance with this section, the Secretary shall pay from the applicable allocation or apportionment under section 108 the Federal share of the costs of programs, services, and activities, in accordance with plans, program statements, or applications which have been approved as provided in this title. In making such payment to any prime sponsor, the Secretary shall include in such costs an amount for staff and other administrative expenses for the Child and Family Services Councils, local program councils, and project policy committees, consistent with limitations contained in this title.

(b) (1) Except as provided in paragraphs (2) and (3) of this subsection, the Secretary shall pay an amount not in excess of 90 per centum of the cost of carrying out programs, services, and activities under this title. The Secretary may, in accordance with such regulations as he shall prescribe, approve assistance in excess of such percentage if he determines that such action is required to provide ade-

quately for the child development and family services needs of economically disadvantaged children.

(2) The Secretary shall pay an amount equal to 100 per centum of the costs of providing child development and family services programs for children of migrant agricultural workers and their families under this title.

(3) The Secretary shall pay an amount equal to 100 per centum of the costs of providing child development and family services programs for children in Indian tribal organizations under this title.

(c) The non-Federal share of the costs of programs assisted under this title may be provided through public or private funds and may be in the form of cash, goods, services, or facilities (or portions thereof that are used for program purposes), reasonably evaluated, or union or employer contributions. Fees collected for services shall not be used for the non-Federal share, but shall be used by the project applicant for the same purposes as payments under this section, except that, in the case of projects assisted under a program statement, such fees shall be turned over to the appropriate prime sponsor for distribution in the same manner as the prime sponsor's allocation under section 108(a)(2).

(d) If, with respect to any fiscal year, a prime sponsor or project applicant provides non-Federal contributions or any program, service, or activity exceeding its requirements, such excess may be applied toward meeting the re-

quirements for such contributions for the subsequent fiscal year under this title.

(e) No State or unit of general local government shall reduce its expenditures for child care programs by reason of assistance under this title.

TITLE II—TRAINING, TECHNICAL ASSISTANCE, PLANNING, AND EVALUATION

PRESERVICE AND INSERVICE TRAINING

SEC. 201. The Secretary is authorized to make payments to provide financial assistance to enable individuals employed or preparing for employment in child development and family services programs assisted under this Act, including volunteers, to participate in programs of preservice or inservice training for professional and nonprofessional personnel, to be conducted by any agency carrying out a child development and family services program, or any institution of higher education, including a community college, or by any combination thereof.

TECHNICAL ASSISTANCE AND PLANNING

SEC. 202. The Secretary shall, directly or through grant or contract, make technical assistance available to prime sponsors and to project applicants participating or seeking to participate in programs assisted under this Act on a continuing basis, to assist them in planning, developing, and carrying out child development and family services programs.

TITLE III—SUPPORTIVE SERVICES AND SPECIAL ACTIVITIES

SPECIAL RESPONSIBILITIES OF THE SECRETARY

SEC. 301. (a) The Secretary is authorized to make an evaluation of Federal involvement in activities and services for children and families by contract with any public or private agencies, organizations, and individuals. Prime sponsors and project applicants assisted under this Act and departments and agencies of the Federal Government shall, upon request by the Secretary, make available, consistent with other provisions of law, such information as the Secretary determines is necessary for purposes of making the evaluation required under this subsection. The Secretary shall reserve for the purposes of this subsection not less than 1 per centum, and may reserve for such purposes not more than 2 per centum, of the amounts available under this Act for any fiscal year.

(b) The Secretary is authorized to carry out a program of research and demonstration projects, which shall include but not be limited to—

(1) research to determine the nature of child development processes and the impact of various influences upon them, to develop techniques to measure and evaluate child development, to develop standards to evaluate professional and paraprofessional child

development personnel, and to determine how child development and family services programs conducted in either home or institutional settings affect child development processes;

(2) research to test preschool programs emphasizing reading and reading readiness;

(3) preventive medicine and techniques and technology, including multiphasic screening and testing, to improve the early diagnosis and treatment of diseases and learning disabilities of preschool children;

(4) research to test alternative methods of providing child development and family services, and to develop and test innovative approaches to achieve maximum development of children;

(5) evaluation of research findings and the development of these findings and the effective application thereof;

(6) dissemination and application of research and development efforts and demonstration projects to child development and family services and related programs and early childhood education, using regional demonstration centers and advisory services where feasible;

(7) production of informational systems and other resources necessary to support the activities authorized by this Act;

(8) integration of national child development research efforts into a focused national research program, including the coordination of research and development conducted by other agencies, organizations, and individuals.

(c) In carrying out this section, the Secretary shall give priority to providing financial assistance for child development and family services programs carried out by multicounty local development districts established in the Appalachian Regional Development Act of 1965, as amended, or title V of the Public Works and Economic Development Act of 1965, as amended.

(d) In order to carry out the program provided for in this section, the Secretary is authorized to make grants to or enter into contracts or other arrangements with public or private nonprofit agencies (including other Government agencies), organizations, and institutions, and to enter into contracts with private agencies, organizations, institutions, and individuals.

(e) (1) Funds available to any Federal department or agency for the purposes of this title shall be available for transfer, with the approval of the head of the department or agency involved, in whole or in part, to the Secretary for such use as is consistent with the purposes for which such funds were provided, and the funds so transferred shall be

expendable by the Secretary for the purposes for which the transfer was made.

(2) The Secretary shall coordinate, through the Office of Child Development established under section 305 of this title, all child development research, training, and development efforts conducted within the Department of Health, Education, and Welfare and, to the extent feasible, by other agencies, organizations, and individuals.

(f) The Secretary is authorized to provide financial assistance for the purpose of establishing and operating child care programs (including the lease, rental, or construction of necessary facilities and the acquisition of necessary equipment and supplies) subject to the fullest extent practicable to the requirements of section 105, for the children of employees of the Federal Government;

(g) The Secretary shall—

(1) conduct special demonstration experimental and model programs, which demonstration, experimental and model programs shall be subject to the fullest extent practicable to each of the requirements with respect to project applications under section 105;

(2) establish procedures to assure that adequate nutrition services will be provided in programs conducted under this Act, which services shall make use of the special food service program for children as defined under

section 13 of the National School Lunch Act of 1946 and the Child Nutrition Act of 1966, to the fullest extent appropriate and consistent with the provisions of such Acts; and

(3) report to Congress not later than September 1, 1975, summarizing his activities and accomplishments under this section during the preceding fiscal year and the grants, contracts, or other arrangements entered into and making such recommendations (including recommendations for legislation) as he may deem appropriate.

FEDERAL STANDARDS FOR CHILD DEVELOPMENT AND FAMILY SERVICES

SEC. 302. (a) Within six months after the enactment of this Act, the Secretary shall, after consultation with other Federal agencies and with the Committee established pursuant to subsection (c) of this section, promulgate a common set of program standards which shall be applicable to all programs providing child development and family services under this Act, to be known as the Federal Standards for Child Development and Family Services. If the Secretary disapproves the Committee's recommendations, he shall state the reasons therefor.

(b) Such standards shall be consistent with the Federal Interagency Day Care Requirements as approved by

the Department of Health, Education, and Welfare, the Office of Economic Opportunity, and the Department of Labor on September 23, 1968.

(c) The Secretary shall, within sixty days after enactment of this Act, appoint a Special Committee on Federal Standards for Child Development and Family Services, which shall include parents of children enrolled in Headstart, child care and family services programs, representatives of public and private agencies and organizations administering such programs, specialists, and others interested in services for children. Not less than one-half of the membership of the Committee shall consist of parents of children participating in programs conducted under this Act and section 222 (a) (1) of the Economic Opportunity Act of 1964 and title IV of the Social Security Act. Such Committee shall participate in the development of Federal Standards for Child Development and Family Services and modifications thereof as provided in subsection (a).

(d) In no event shall any prime sponsor or program or project receiving assistance under this Act reduce the quality of services provided under this Act below the standards established in this section and section 302, in order to reduce expenditures per child or to extend services to larger numbers of children.

DEVELOPMENT OF UNIFORM MINIMUM CODE FOR FACILITIES

SEC. 303. (a) The Secretary shall, within sixty days after enactment of this Act, appoint a special committee to develop a uniform minimum code for facilities, to be used in licensing child development and family services facilities receiving assistance under this Act or in which programs receiving assistance under this Act are operated. Such standards shall deal principally with those matters essential to the health, safety, and physical comfort of the children, their suitability for projected uses, and the relationship of such matters to the Federal Standards for Child Development and Family Services under section 302.

(b) The special committee appointed under this section shall include parents of children participating in Headstart, child care and other programs and representatives of State and local licensing agencies, public health officials, fire prevention officials, the construction industry and unions, public and private agencies or organizations administering such programs, and national agencies or organizations interested in services to children and families. Not less than one-half of the membership of the committee shall consist of parents of children enrolled in programs conducted under title I and section 222 (a) (1) of the Economic Opportunity Act of 1964 and title IV of the Social Security Act.

(c) Within one year after its appointment, the special committee shall complete a proposed uniform minimum code for facilities and shall hold public hearings on the proposed code prior to submitting its final recommendation to the Secretary for his approval.

(d) After considering the recommendations submitted by the special committee in accordance with subsection (c), the Secretary shall promulgate standards which shall be applicable to all facilities receiving Federal financial assistance under this Act or in which programs receiving Federal financial assistance under this Act are operated. If the Secretary disapproves the committee's recommendations, he shall state the reasons therefor. The Secretary shall also distribute such standards and urge their adoption by States and local governments. The Secretary may from time to time modify the uniform code for facilities in accordance with procedures set forth in this section.

MORTGAGE INSURANCE FOR CHILD DEVELOPMENT FACILITIES

SEC. 304. (a) It is the purpose of this section to assist and encourage the provision of facilities for child development and family services.

(b) For the purpose of this section—

(1) The term "child development facility" means a facility of a public or private profit or nonprofit agency

or organization, licensed or regulated by the State (or, if there is no State law providing for such licensing and regulation by the State, by the municipality or other political subdivision in which the facility is located), for the provision of child development and family service programs.

(2) The terms "mortgage", "mortgagor", "mortgagee", "maturity date", and "State" shall have the meanings respectively set forth in section 207 of the National Housing Act.

(c) The Secretary of Health, Education, and Welfare is authorized to insure any mortgage (including advances on such mortgage during construction) in accordance with the provisions of this section upon such terms and conditions as he may prescribe and make commitments for insurance of such mortgage prior to the date of its execution or disbursement thereon.

(d) In order to carry out the purpose of this section, the Secretary of Health, Education, and Welfare is authorized to insure any mortgage which covers a new child development facility, including equipment to be used in its operation, subject to the following conditions:

(1) The mortgage shall be executed by a mortgagor, approved by the Secretary of Health, Education, and Welfare, which demonstrates ability successfully to operate one or

more child development and family service programs. The Secretary of Health, Education, and Welfare may in his discretion require any such mortgagor to be regulated or restricted as to minimum charges and methods of financing, and, in addition thereto, if the mortgagor is a corporate entity, as to capital structure and rate of return. As an aid to the regulation or restriction of any mortgagor with respect to any of the foregoing matters, the Secretary of Health, Education, and Welfare may make such contracts with and acquire for not to exceed $100 such stock or interest in such mortgagor as he may deem necessary. Any stock or interest so purchased shall be paid for out of the Child Development Facility Insurance Fund, and shall be redeemed by the mortgagor at par upon the termination of all obligations of the Secretary of Health, Education, and Welfare under the insurance.

(2) The mortgage shall involve a principal obligation in an amount not to exceed $250,000 and not to exceed 90 per centum of the estimated replacement cost of the property or project, including equipment to be used in the operation of the child development facility, when the proposed improvements are completed and the equipment is installed.

(3) The mortgage shall—

(A) provide for complete amortization by periodic

payments within such term as the Secretary of Health, Education, and Welfare shall prescribe, and

(B) bear interest (exclusive of premium charges for insurance and service charges, if any) at not to exceed such per centum per annum on the principal obligation outstanding at any time as the Secretary of Health, Education, and Welfare finds necessary to meet the mortgage market.

(4) The Secretary of Health, Education, and Welfare shall not insure any mortgage under this section unless he has determined that the child development facility to be covered by the mortgage will be in compliance with the Uniform Minimum Code for Facilities approved by the Secretary pursuant to section 303.

(5) The Secretary of Health, Education, and Welfare shall not insure any mortgage under this section unless he has also received from the prime sponsor designated under title I of this Act a certificate that the facility is consistent with and will not hinder the execution of the prime sponsor's plan.

(e) The Secretary of Health, Education, and Welfare shall fix and collect premium charges for the insurance of mortgages under this section which shall be payable annually in advance by the mortgagee, either in cash or in debentures of the Child Development Facility Insurance Fund (estab-

lished by subsection (h)) issued at par plus accrued interest. In the case of any mortgage such charge shall be not less than an amount equivalent to one-fourth of 1 per centum per annum nor more than an amount equivalent to 1 per centum per annum of the amount of the principal obligation of the mortgage outstanding at any one time, without taking into account delinquent payments or prepayments. In addition to the premium charge herein provided for, the Secretary of Health, Education, and Welfare is authorized to charge and collect such amounts as he may deem reasonable for the appraisal of a property or project during construction; but such charges for appraisal and inspection shall not aggregate more than 1 per centum of the original principal face amount of the mortgage.

(f) The Secretary of Health, Education, and Welfare may consent to the release of a part or parts of the mortgaged property or project from the lien of any mortgage insured under this section upon such terms and conditions as he may prescribe.

(g) (1) The Secretary of Health, Education, and Welfare shall have the same functions, powers, and duties (insofar as applicable) with respect to the insurance of mortgages under this section as the Secretary of Housing and Urban Development has with respect to the insurance of mortgages under title II of the National Housing Act.

(2) The provisions of subsections (e), (g), (h), (i), (j), (k), (l), and (n) of section 207 of the National Housing Act shall apply to mortgages insured under this section; except that, for the purposes of their application with respect to such mortgages, all references in such provisions to the General Insurance Fund shall be deemed to refer to the Child Development Facility Insurance Fund, and all references in such provisions to "Secretary" shall be deemed to refer to the Secretary of Health, Education, and Welfare.

(h) (1) There is hereby created a Child Development Facility Insurance Fund which shall be used by the Secretary of Health, Education, and Welfare as a revolving fund for carrying out all the insurance provisions of this section. All mortgages insured under this section shall be insured under and be the obligation of the Child Development Facility Insurance Fund.

(2) The general expenses of the operations of the Department of Health, Education, and Welfare relating to mortgages insured under this section may be charged to the Child Development Facility Insurance Fund.

(3) Moneys in the Child Development Facility Insurance Fund not needed for the current operations of the Department of Health, Education, and Welfare with respect to mortgages insured under this section shall be deposited with the Treasurer of the United States to the credit of such fund.

or invested in bonds or other obligations of, or in bonds or other obligations guaranteed as to principal and interest by, the United States. The Secretary of Health, Education, and Welfare may, with the approval of the Secretary of the Treasury, purchase in the open market debentures issued as obligations of the Child Development Facility Insurance Fund. Such purchases shall be made at a price which will provide an investment yield of not less than the yield obtainable from other investments authorized by this section. Debentures so purchased shall be canceled and not reissued.

(4) Premium charges, adjusted premium charges, and appraisal and other fees received on account of the insurance of any mortgage under this section, the receipts derived from property covered by such mortgages and from any claims, debts, contracts, property, and security assigned to the Secretary of Health, Education, and Welfare in connection therewith, and all earnings on the assets of the fund, shall be credited to the Child Development Facility Insurance Fund. The principal of, and interest paid and to be paid on, debentures which are the obligation of such fund, cash insurance payments and adjustments, and expenses incurred in the handling, management, renovation, and disposal of properties acquired, in connection with mortgages insured under this section, shall be charged to such fund.

(5) There are authorized to be appropriated to provide

initial capital for the Child Development Facility Insurance Fund, and to assure the soundness of such fund thereafter, such sums as may be necessary.

OFFICE OF CHILD DEVELOPMENT

SEC. 305. The Secretary shall take all necessary action to coordinate child development and family service programs under his jurisdiction. To this end, he shall establish within the Office of the Secretary of the Department of Health, Education, and Welfare an Office of Child Development, administered by a Director, which office shall be the principal agency of the Department for the administration of this Act including research and evaluation and for the coordination of programs including all child development and family service research, training, and development efforts.

SPECIAL COORDINATING COUNCIL

SEC. 306. A Child Development Research Council, consisting of a representative of the Office of Child Development established under section 305 of this title (who shall serve as chairman), and representatives from the Federal agencies administering the Social Security Act and the Elementary and Secondary Education Act of 1965 and from the National Institute of Mental Health, the National Institute of Child Health and Human Development, the Office of Economic Opportunity, the Department of Labor, and other appropriate agencies, shall meet on a regular basis, as they

may deem necessary, in order to assure coordination of child development and related family service activities under their respective jurisdictions so as to assure—

(1) maximum utilization of available resources through the prevention of duplication of activities;

(2) a division of labor, insofar as is compatible with the purposes of each of the agencies or authorities specified in this paragraph, to assure maximum progress toward the achievement of the purposes of this Act;

(3) the establishment and maintenance of an information bank to insure that each office or agency of the Federal Government conducting child development and family service, child care and related family service activities is aware of the administrative actions of other offices or agencies with respect to the provision of financial assistance to eligible applicants; and

(4) recommendation of priorities for federally funded research and development activities related to the purposes of this Act.

SPECIAL PROVISIONS

SEC. 307. (a) The Secretary shall not provide financial assistance for any program under this Act unless the grant, contract, or agreement with respect to such program specifically provides that no person with responsibilities in the operation of such program will discriminate with respect to

any program because of race, creed, color, national origin, sex, political affiliation, or beliefs.

(b) No person in the United States shall on the ground of sex be excluded from participation in, be denied the benefits of, be subjected to discrimination under, or be denied employment in connection with, any program or activity receiving assistance under this Act. The Secretary shall enforce the provisions of the preceding sentence in accordance with section 602 of the Civil Rights Act of 1964. Section 603 of such Act shall apply with respect to any action taken by the Secretary to enforce such sentence. This section shall not be construed as affecting any other legal remedy that a person may have if that person is excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in connection with, any program or activity receiving assistance under this Act.

(c) The Secretary make make such grants, contracts or agreement, establish such procedures, policies, rules, and regulations, and make such payments in installments and in advance or by way of reimbursement, or otherwise allocate or expend funds made available under this Act, as he may deem necessary to carry out the provisions of this Act, including necessary adjustments in payments on account of overpayments or underpayments. Subject to the provisions of section 308, the Secretary may also withhold funds other-

wise payable under this Act in order to recover any amounts expended in the current or immediately prior fiscal year in violation of any provision of this Act or any term or condition of assistance under this Act.

(d) The Secretary shall not provide financial assistance for any program service, or activity under this Act unless he determines that persons employed thereunder, other than persons who serve without compensation, shall be paid wages which shall not be lower than whichever is the highest of (A) the minimum wage which would be applicable to the employee under the Fair Labor Standards Act of 1938 (29 U.S.C. 206), if section 6(a)(1) of such Act applied to the participant and if he were not exempt under section 13 thereof, (B) the State or local minimum wage for the most nearly comparable covered employment, or (C) the prevailing rates of pay for persons employed in similar occupations by the same employer.

(e) The Secretary shall not provide financial assistance for any program under this Act which involves political activities; and neither the program, the funds provided therefor, nor personnel employed in the administration thereof, shall be, in any way or to any extent engaged in the conduct of political activities in contravention of section 602, of the Economic Opportunity Act of 1964.

(f) The Secretary shall not provide financial assistance

for any program under this Act unless he determines that no funds will be used for and no person will be employed under the program in the construction, operation, or maintenance of so much of any facility as is for use for sectarian instruction or as a place for religious worship.

(g) Prime sponsorship plans, program statements, annual family service plans, project applications, and all written material pertaining thereto shall be made readily available without charge to the public by the State, the prime sponsor, the applicant, and by the Secretary.

WITHHOLDING OF GRANTS

SEC. 308. Whenever the Secretary, after reasonable notice and opportunity for a hearing for any State, prime sponsor, or project applicant, finds—

(1) that there has been failure to comply substantially with agreements contained in the State annual family service plan relating to coordination (in accordance with section 106); or

(2) that there has been a failure to comply substantially with any requirement set forth in the program statement of any such prime sponsor approved under section 105; or

(3) that there has been a failure to comply substantially with any requirement set forth in the applica-

tion of any such project applicant approved pursuant to section 105; or

(4) that in the operation of any plan, program, or project carried out by any such State, prime sponsor, or project applicant or other recipient of financial assistance under this Act there is a failure to comply substantially with any applicable provision of this Act or regulation promulgated thereunder;

the Secretary shall notify such State, prime sponsor, project applicant, or other recipient of his findings and that no further payments may be made to such State, sponsor, project applicant, or other recipient under this Act (or in the Secretary's discretion that any such prime sponsor shall not make further payments under this Act to specified project applicants affected by the failure) until he is satisfied that there is no longer any such failure to comply, or the noncompliance will be promptly corrected. The Secretary may authorize the continuation of payments with respect to any project assisted under this Act which is being carried out pursuant to such plan or application and which is not involved in any noncompliance.

FEDERAL CONTROL NOT AUTHORIZED

SEC. 309. No department, agency, officer, or employee of the United States shall, under authority of this Act, exer-

cise any direction, supervision, or control over, or impose any requirements or conditions with respect to, the personnel, curriculum, methods of instruction, or administration of any educational institution.

SPECIAL PROHIBITIONS AND PROTECTIONS

SEC. 310. (a) (1) Nothing in this Act shall be construed or applied in such a manner as to infringe upon or usurp the moral and legal rights and responsibilities of parents or guardians with respect to the moral, mental, emotional, physical, or other development of their children. Nor shall any section of this Act be construed or applied in such a manner as to permit any invasion of privacy otherwise protected by law, or to abridge any legal remedies for any such invasion which are otherwise provided by law.

(2) The Secretary is directed to establish appropriate procedures to insure that no child shall be the subject of any research or experimentation under this Act unless the parent or guardian of such child is informed of such research or experimentation and is given an opportunity as of right to except such child therefrom.

(3) A child participating in a program assisted under this Act shall not be required to undergo medical or psychological examination, immunization (except to the extent necessary to protect the public from epidemics of contagious

diseases), or treatment if his parent or guardian objects thereto in writing.

(b) The Secretary shall establish policies and procedures, in accordance with regulations which he shall prescribe, to assure that all programs and projects assisted under this Act address, on a continuing basis, the individual needs of and the appropriateness of child development services for the very young and other children served—

(1) any program or project providing care outside the home for very young children shall be reviewed and evaluated periodically and frequently by the Secretary, to insure that it meets the highest standards of quality; and the Secretary may reserve such funds as he deems necessary from funds available under this Act for the purpose of evaluation, by appropriate persons, of programs under this Act in order to insure compliance with subsections (a) and (b) of this section.

(2) no program or project described in clause (1) of this subsection shall be approved for assistance under this Act unless it is specifically authorized and approved by the Secretary.

(c) (1) Upon determination that a prime sponsor or project is in violation of one or more of the provisions of this section, the Secretary shall give immediate public notice

of such determination to such prime sponsor or project and, if such violation or violations have not been corrected, shall commence action within ninety days of such determination to withhold funds under section 308.

(2) Upon determination that a project is in violation of one or more of the provisions of this section, the prime sponsor shall give immediate notice of such determination to such project and, if such violation or violations have not been corrected, shall commence action within ninety days of such determination to withhold funds under section 308.

REPEAL OR AMENDMENT OF EXISTING AUTHORITY AND COORDINATION

SEC. 311. (a) In order to achieve, the greatest degree feasible, the consolidation and coordination of programs providing services for children, while assuring continuity of existing programs during transition to the programs authorized under this Act, the Economic Opportunity Act of 1964 is amended, effective July 1, 1975, as follows:

(1) Section 222 (a) (1) of such Act is repealed.

(2) Section 162 (b) of such Act is amended by inserting after "day care for children" the following: "(wherever feasible, through child care programs under the Comprehensive Headstart, Child Development, and Family Services Act of 1972)".

(3) Section 123 (a) (6) of such Act is amended by

inserting after "day care for children" the following: "(wherever feasible, through child care programs under the Comprehensive Headstart, Child Development, and Family Services Act of 1972)".

(4) Section 312(b)(1) of such Act is amended by inserting after "day care for children" the following: "(wherever feasible, through child care programs under the Comprehensive Headstart, Child Development, and Family Services Act of 1972)".

(b) After consultation with the head of any agency of the Federal Government immediately responsible for providing Federal assistance for child development and family service, child care, and related programs, including Title I of the Elementary and Secondary Education Act of 1965, section 222(a)(2) of the Economic Opportunity Act of 1964, Title VII of the Housing and Urban Development Act of 1966, Title I of the Demonstration Cities and Metropolitan Development Act of 1966 and the Social Security Act, the Secretary of Health, Education and Welfare shall establish regulations to assure the coordination of all such programs with the programs assisted under this Act.

(c)(1) Section 203(j)(1) of the Federal Property and Administrative Services Act of 1949 is amended by striking out "or civil defense" and inserting in lieu thereof

"civil defense, or the operation of child development facilities".

(2) Section 203 (j) (3) of such Act is amended—

(A) by striking out, in the first sentence, "or public health" and inserting in lieu thereof "public health, or the operation of child development facilities",

(B) by inserting after "handicapped," in clause (A) and clause (B) of the first sentence the following: "child development facilities", and

(C) by inserting after "public health purposes" and the second sentence the following: ", or for the operation of child development facilities,".

(3) Section 203 (j) of such Act is amended by adding at the end thereof the following new paragraph:

"(8) The term 'child development facility' means any such facility as defined in section 304 (b) (1) of the Comprehensive Headstart, Child Development and Family Services Act.".

TRANSITIONAL AUTHORITY

SEC. 312. (a) The application of the formula prescribed by section 225 (a) of the Economic Opportunity Act of 1964 for the allotment of funds among the States may be waived by the Director of the Office of Economic Opportunity to the extent he deems necessary to prevent hardship in the allotment of funds for programs under title II of such

Act resulting from the discontinuance of the authorization for section 222 (a) (1) of such title by this Act.

(b) The Director of the Office of Economic Opportunity may extend assistance under sections 221 and 222 (a) of the Economic Opportunity Act of 1964 to a community action agency or other agency which is in excess of the maximum prescribed in section 225 (c) of such Act, if he determines, in accordance with such regulations as he shall prescribe, that the ability of such agency to provide its share of the programs costs pursuant to such section 225 (c) has been impaired by virtue of the discontinuance of the authorization for section 222 (a) (1) of such Act to an extent which justifies such additional assistance.

ACCEPTANCE OF FUNDS

SEC. 313. In carrying out the purposes and provisions of this Act, the Secretary is authorized to accept and utilize funds appropriated to carry out other provisions of Federal law if such funds are utilized for the purposes for which they are specifically authorized and appropriated.

Section-by-Section Analysis

Section 1. Short Title

This section provides that the legislation may be cited as the "Comprehensive Headstart, Child Development, and Family Services Act of 1972".

Section 2. Statement of Findings and Purpose

This section sets forth the congressional findings concerning the need for child development and family services and the purpose to assist parents who request such services in providing their children with an opportunity for a healthful and stimulating development.

Section 3. Authorization of Appropriations

Subsection (a) authorizes the appropriation of $1.2 billion for fiscal year 1974 and $1.6 billion for fiscal year 1975 for carrying out this Act. Any unobligated amounts at the end of such fiscal year may be obligated in the succeeding fiscal year.

Subsection (b) authorizes the appropriation of $150 million for fiscal year 1973 for the purpose of providing training, technical assistance, planning, and such other activities as the Secretary deems appropriate to prepare for the implementation of this title.

Subsection (c) provides that the amounts appropriated under subsection (a) shall be made available as follows:

The amount of $500 million shall be for the purpose of providing assistance under title I of this Act for child development programs focused upon young children from low-income families, with priority for Headstart projects.

Up to 15 percent of the amounts which remain thereafter may be made available, as the Secretary of Health, Education, and Welfare deems appropriate, for titles II and III of this Act, but not to exceed 5 percent of such remaining amounts shall be used for title III.

The remainder of the appropriation is to be used for carrying out title I.

Subsection (d) sets forth advance funding authority.

Section 4. Definitions

This section defines terms used in the Act.

Title I—Headstart, Child Development, and Family Services Programs

Section 101. Programs Assisted

This section provides that the Secretary of Health, Education, and Welfare shall provide financial assistance for carrying out child development and family services programs under this title to prime sponsors and to other public and private nonprofit agencies and organizations pursuant to plans, program statements, and applica-

tions approved in accordance with this title. The purposes for which financial assistance may be used are set forth in this section.

Section 102. State and Local Prime Sponsors

Subsection (a) provides that a State, a unit or combination of units of general local government of at least 25,000 population or, if less, which demonstrates capability and a particular need, an Indian tribal organization, or a public or private nonprofit agency may be designated as a prime sponsor of child development and family service programs in accordance with the provisions of the legislation upon approval by the Secretary of a prime sponsorship plan.

Subsection (b) provides that the plan must provide for a child and family services council, must provide assurances that staff and other administrative expenses of the council and local program councils and project policy committees will not exceed percent of the total cost of child development programs administered by the prime sponsor (unless increased to reflect higher start-up costs or other special needs), and must provide assurances to provide or to enter into arrangements with appropriate State or local or other agencies for linkages to provide services related to child development.

Subsection (b)(8) provides that, in the case of a State applicant for designation as prime sponsor of areas not served by a local prime sponsor, the plan must also provide for designating local family service areas serving the area of one local government or of units of local government serving not more than 50,000 population unless Secretary allows area of up to 100,000 population. For each local family service area, a local program council must be maintained consisting of at least half parents and the remainder public members appointed by the local government official. These local program councils participate in developing and approve the State's program statement for the area and arrangements for projects in the area.

Subsection (c) provides that any local program council may appeal directly to the Secretary when it alleges a failure to comply with the program statement or the provisions of the Act.

Subsection (d)(1) provides that the Secretary shall approve a satisfactory State prime sponsorship plan for areas not served by local prime sponsors.

Subsection (d)(2) authorizes the Secretary to designate five States to carry out demonstration projects as Statewide prime sponsors, even with respect to localities which would otherwise qualify as local prime sponsors. No State with a population of 5 percent of the national population or more could be so designated.

Subsection (e) provides that the Secretary shall approve a prime sponsorship plan submitted by a city or county or other unit of general local government if it meets the requirements of subsection (a) and has a population of 25,000 or more. The Secretary has discretion to choose either a city or a county as prime sponsor for an area which covers a common geographical area.

Subsection (f) provides that the Secretary shall approve a prime sponsorship plan submitted by a combination of localities if the plan meets the requirements of subsection (a) and has a population of 25,000 or more.

Subsection (g) provides that the Secretary shall approve a prime sponsorship plan submitted by an Indian tribal organization if the plan meets the requirements of subsection (a).

Subsection (h) provides that the Secretary may approve a prime sponsorship plan submitted by a unit or combination of units of general local government or a public or private nonprofit agency if he determines that the plan includes provisions setting forth arrangements for serving children in a neighborhood which is not covered by a prime sponsor or in any portion of an area where the prime sponsor is not satisfactorily implementing child development programs, or for making available special services designed to meet the needs of economically disadvantaged or preschool children. He may also approve such a prime sponsorship plan setting forth arrangements for providing comprehensive child development programs on a year-round basis to children of migrant agricultural workers, or arrangements for carrying out model programs, especially projects for economically disadvantaged, minority group, or bilingual preschool children.

Subsection (i) provides that the Governor of the State shall be given between thirty and sixty days to review and make recommendations on prime sponsorship plans submitted under this section.

Subsection (j) provides that a prime sponsorship plan may be disapproved or a prior designation of a prime sponsor may be withdrawn only if the Secretary provides written notice, a reasonable time for corrective amendments or action, and an opportunity for a hearing upon which an appeal to the Secretary may be based.

Subsection (k) provides for review by the court of appeals of the Secretary's final action with respect to prime sponsorship under subsection (j).

Subsection (l) provides that the Secretary shall approve the application of an alternate unit of Government or a public or nonprofit agency or organization in the area representing the interests of minority and economically disadvantaged persons where any unit of general government or other prime sponsor is practicing discrimination against minority group or economically disadvantaged children.

Subsection (m) provides that the Secretary may directly fund programs, including those in rural areas without regard to population, where he deems it necessary, in the event that a State, or unit or combination of units of general local government, or Indian tribal organization has not submitted or the Secretary has not approved a program statement under this section, or where a prime sponsorship designation is not in effect, or where the needs of migrants, preschool-age children, or the children of working mothers or single parents, minority groups, or the economically disadvantaged are not being served.

Section 103. Child and Family Services Councils

Subsection (a) provides that each prime sponsor shall establish and maintain a Child and Family Services Council consisting of not less than 10 members half of whom must be parents of children served in programs under this Act and the remainder of whom are to be appointed by the prime sponsor's chief executive or governing body to represent the public.

(Half of the public representatives must be persons broadly representative of the general public including community agencies and organizations, and the remaining members must be persons who are skilled in child development, child health, child welfare, or other child services.)

Subsection (b) provides that, in accordance with regulations which the Secretary shall establish pursuant to regulations, each prime sponsor shall provide that the parent members of child development councils shall be chosen by the membership of local program councils described in section 102(b)(8), in the case of State prime sponsors, and participants in federally assisted day care programs especially Headstart, in the case of local prime sponsors. Not less than one-third of the total membership of such council shall be persons broadly representative of the economically disadvantaged. The council is entitled to approve program statements, basic goals, policies, actions, and procedures, and the selection or establishment and annual renewal of the administering agency or agencies, for the prime sponsor. The council shall, upon its own initiative or upon request of a project applicant or any other party in interest, conduct public hearings before acting upon applications for financial assistance submitted by project applicants.

Section 104. Program Statements

Subsection (a) provides that financial assistance to a prime sponsor may be provided for any particular fiscal year only pursuant to a program statement approved by the Secretary. Provisions which such program statement are to include are set forth in this subsection. Among these provisions are the requirements that not less than 65 percent of the financial assistance from apportionments under section 3(c)(3) must be used for programs and services for economically disadvantaged children; and that priority thereafter must be given to other children of single parents and working mothers.

Subsection (b) provides that no program statement shall be approved unless opportunities to submit comments to the prime sponsor and to the Secretary have been provided to each community action agency or single-purpose Headstart agency previously responsible for a Headstart program, to the local educational agency and other appropriate educational and training agencies and institutions, and the Governor of the State.

Subsection (c) provides that a program statement may be disapproved or a prior approval withdrawn only if the Secretary has provided written notice, reasonable time for corrective amendments or action, and an opportunity for a public hearing upon which an appeal may be biased.

Subsection (d) provides that the Secretary shall establish procedures to permit prime sponsors to submit jointly a single program statement for the areas served by such prime sponsors.

Section 105. Project Applications

Subsection (a) provides that financial assistance may be provided to a project applicant for any particular fiscal year if the project application is submitted by a public or private nonprofit agency and contains other provisions set forth in this subsection. Among these provisions are requirements that funds be provided only to qualified public or private agencies and that project policy committees be established and maintained. Such project policy committees must consist of not less than 10 members and half must be parents of children served in such projects and the remaining half shall be comprised of persons who are representative of the community approved by the parent members and one person who is skilled in child

development. Project policy committees must participate directly in the development and preparation of project applications and have responsibility for approving basic goals, policies, actions, and procedures for the project applicant. The bill provides that no charges be made to families with an annual income equal to or less than $4,320, with adjustments in the case of families with more than two children. Charges for other families may be made in accordance with a fee schedule established by the Secretary based on ability to pay. However, such fees may not exceed 10 percent of the difference between the free services level and 85 percent of the lower living standard budget, and then 15 percent of any income between that level of 85 percent of the lower living standard budget and 100 percent of the lower living standard budget.

Subsection (b) requires that the project application otherwise further the objectives and satisfy the requirements of the prime sponsor's program statement.

Subsection (c) provides that a public or private nonprofit agency which is a prime sponsor shall submit a project application directly to the Secretary.

Subsection (d) provides that a prime sponsor may disapprove a project application only if it provides a statement of reasons to the applicant and that the project applicant may appeal to the Secretary for direct approval thereof.

Subsection (e) provides that a project application submitted to the Secretary by a public or private agency may be approved upon the Secretary's determination that it meets the statutory requirements.

Section 106. Annual Family Service Plans

This section provides that, upon submission of an annual family service plan by any State, the Secretary is authorized to provide financial assistance for carrying out activities for the purposes of determining child development and family service goals and needs, assisting in the establishment of Child and Family Service Councils, and strengthening their capabilities, and arrangements under which State agencies assist in providing child development and related services where requested by prime sponsors in the development and implementation of program statements.

Section 107. Special Cooperative Programs with Educational Agencies and Other Project Sponsors.

This section provides that the Secretary shall use funds made available under section 108(a)(1)(E) to provide assistance to educational agencies and institutions for cooperative programs designed to provide continuity between preschool, after school, and other educational programs.

Section 108. Allocation of Funds.

Subsection (a)(1) provides that, of the amounts available for this title, the Secretary shall reserve the following:

> For apportioning among programs for children of migrant agricultural workers, not less than that proportion of the total amounts available for this title, as the proportion which the number of such children bears to the number of economically disadvantaged;
>
> For apportioning among programs for children on Federal and State Indian reservations, not less than that proportion of the

total amounts available for this title as the proportion which the number of such children bears to the number of economically disadvantaged children;

For special activities for handicapped children, not less than 10 percent of the total amount available for this title; and

For model programs, not to exceed 5 percent of the total amounts available for this title.

For special cooperative programs with educational institutions, not to exceed 5 percent of the total amounts available for this title.

Subsection (a)(2) provides that the amounts remaining after such reservations shall be allocated by the Secretary to the extent practicable so that such funds shall be apportioned among the States and localities within each State as follows: 50 percent in proportion to the relative numbers of economically disadvantaged children, 25 percent in proportion to the relative numbers of children up to age 6, and 25 percent in proportion to the relative numbers of children of working mothers and single parents.

Subsection (a)(3) provides that not to exceed 10 percent of the total funds allotted for use within a State may be made available to the State to carry out its annual family service plan under section 106.

Subsection (b) provides for reapportionment of unused apportionments.

Section 109. Additional Conditions for Programs Including Construction or Acquisition.

This section provides that applications for financial assistance for projects including construction may be approved only if the Secretary determines that construction of such facilities is essential to the provision of adequate child development services, and that rental, lease or lease-purchase, renovation, or remodeling of adequate facilities is not practicable. Federal assistance for construction may not exceed 50 percent of cost in the case of funds to be paid to other than public or private nonprofit agencies and organizations. A maximum of 15 percent of a prime sponsor's total financial assistance may be used for construction.

Section 110. Use of Public Facilities for Child Development Programs.

This section requires reports as to the extent to which facilities owned or leased by Federal agencies and other agencies may be available for child development programs during times when such facilities are not being utilized fully for their usual purposes.

Section 111. Payments.

This section sets forth the Federal share provisions. A Federal share of 90 percent is provided for child development programs ordinarily, but the Secretary has discretion to exceed that percentage and he is required to pay 100 percent of programs for migrants and Indians.

TITLE II—TRAINING, TECHNICAL ASSISTANCE PLANNING, AND EVALUATION

Section 201. Preservice and Inservice Training.

This section authorizes the Secretary to provide financial assistance for preservice or inservice training for professional and nonprofessional personnel.

Section 202. Technical Assistance and Planning.

This section provides that the Secretary shall make technical assistance available to prime sponsors and project applicants to assist them in planning, developing, and carrying out child development programs.

Title III—Supportive Services and Special Activities

Section 301. Special Responsibilities of the Secretary.

Subsection (a) provides that the Secretary shall make an evaluation of Federal involvement in child development activities and services. The Secretary must reserve 1 percent, and may reserve up to 2 percent, of the funds under this Act for the evaluations required by this section.

Subsection (b) provides that the Secretary shall carry out research and demonstration projects, including research on the nature of child development processes, research to test alternative methods of providing child development and related services, evaluation of research findings, and the dissemination and application of research and development efforts.

Subsection (c) provides that the Secretary shall give priority in assisting research and demonstration projects to programs carried out by multicounty local development districts under the Appalachian Regional Development Act and the Public Works and Economic Development Act.

Subsection (d) authorizes the Secretary to make grants in contracts with public or private nonprofit agencies to carry out research and demonstration projects under this section.

Subsection (e) authorizes the transfer with the approval of other agency heads, of funds to the Secretary for research purposes under this part, provides that the Secretary shall through the Office of Child Development coordinate all child development research, training, and development efforts conducted within the Department of Health, Education, and Welfare.

Subsection (f) authorizes financial assistance for child development and family service programs for the children of employees of the Federal Government.

Subsection (g) provides that the Secretary of Health, Education, and Welfare shall establish procedures to assure that adequate nutrition services will be provided in child development programs under this Act. Such services shall make use of the special food service program for children as defined in section 13 of the National School Lunch Act of 1946 and the Child Nutrition Act of 1966, to the fullest extent appropriate and consistent with such acts.

Section 302. Federal Standards for Child Development and Family Services

This section provides that the Secretary shall promulgate a common set of program standards to be applicable to all programs providing child development services with Federal assistance under this title, to be known as the Federal Standards for Child Development Services. Such standards shall be consistent with the Federal Interagency Day Care Requirements. A special Committee on Federal Standards for Child Development Services, consisting of parents and child development experts, is to be established for the purpose of participating in the development of such standards.

Section 303. Development of Uniform Minimum Code for Facilities.

This section provides for a special committee to develop a uniform minimum code for facilities, to be used in licensing child development facilities dealing principally with matters of health, safety, and physical comfort. Upon approval by the Secretary, standards contained in the code are to be applicable to all projects assisted under this Act.

Section 304. Mortgage Insurance for Child Development Facilities.

This section establishes a program of mortgage insurance for child development facilities, to be administered by the Secretary of Health, Education, and Welfare.

Section 305. Office of Child Development.

This section provides for the Office of Child Development to be the principal agency in the Department of Health, Education, and Welfare for the administration of this title and for the coordination of programs and other activities relating to child development and family service research, training, and development efforts.

Section 306. Special Coordinating Council.

This section establishes by statute the Child Development Research Council.

Section 307. Special Prohibitions.

This section contains administrative provisions of the same kind usually set forth in similar legislation.

Section 308. Withholding of Grants.

This section provides that the Secretary may withhold funds for failure to comply with requirements of this Act after notice and opportunity for a hearing.

Section 309. Federal Control Not Authorized.

This section sets forth the prohibition against Federal control of education.

Section 310. Special Prohibitions and Protections.

This section provides that nothing in this Act shall infringe upon parental rights and directs the Secretary to establish procedures to insure that no child shall be the subject of research or experimentation under this Act unless the child's parent or guardian is informed and has the opportunity to except such child therefrom. This section also provides that the Secretary shall assume that programs providing care outside the home for very young children shall be reviewed periodically and frequently by the Secretary and that no such program shall be approved for assistance unless it is specifically authorized and approved by the Secretary.

Section 311. Repeal or Amendment of Existing Authority and Coordination.

This section provides for repealing, effective July 1, 1975, the authorization for Headstart and provides that where day care authorized elsewhere in the Economic Opportunity Act shall be provided, wherever feasible, through child care programs under this Act.

Section 312. Transitional Authority.

This section permits the Director of the Office of Economic Opportunity to waive allotment and Federal share provisions under title II of the Economic Opportunity Act to relieve hardship resulting from the failure to continue the authorization for Headstart under the current section 222(a)(1) when this Act takes effect.

Section 313. Acceptance of Funds.

This section authorizes the Secretary to accept, for use under this Act, funds appropriated to carry out other laws if such funds are utilized for the purposes for which they are specifically authorized and appropriated.

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